

PATENT

Application No 09/714,574
Attorney Docket No.: 00-068**REMARKS**

Claims 1 - 28 are pending in the present application.

Claims 1, 13, 17, 23, 27 and 28 are independent.

Requirement for Information

The specifics of the requirement for information have not been specified. Applicants assume from the text on page 4 of the Office Action that that the Examiner may have intended to request the information which was designated as "of particular interest":

"information used in drafting the present operation [sic] including information related to applicant's [sic] assignee (Walker Digital), business practices used by applicants' [sic] professional business ventures, to show the information used in the invention process, and identification of any use of the claimed invention known to the inventor [sic] at the time the application was filed notwithstanding the date of the use."

If this assumption is incorrect, Applicants respectfully request the exact nature of the information required.

With respect to "information used in drafting the present" application, Applicants assume per 37 C.F.R. 1.105(a)(1)(iv) that the Examiner requires "a copy of any non- patent literature, published application, or patent (U.S. or foreign) that was used to draft the application." Besides the information cited in Applicants' Information Disclosure Statement and the pending applications listed on page 1 of the present application, any other documents or information pertaining to the request are either unknown or not readily available to Applicants or Applicants' representative at this time.

With respect to "the information used in the invention process", Applicants assume per 37 C.F.R. 1.105(a)(1)(v) the Examiner requires "a copy of any non- patent literature, published application, or patent (U.S. or foreign) that was used in the invention process, such as by designing around or providing a solution to accomplish an invention result". Any other documents or information pertaining to the request are either unknown or not readily available to Applicants or Applicants' representative at this time.

With respect to "any use of the claimed invention known to the inventor at the time the application was filed", no uses of the claimed invention are known to Applicants at the time the application was filed, to the best of Applicants' and representative's knowledge.

Section 101 Rejection

Claims 1 - 22 and 28 (all method claims) are rejected as nonstatutory. Applicants traverse the rejection.

Applicants Understanding of the Standard Used

Applicants understanding, based on pages 4 - 5 of the Office Action, is that the rejection is based on any or all of the following:

- i. The claim "can be performed without interaction of a physical structure"
- ii. Certain steps do not "require structural interaction or mechanical intervention"
- iii. Certain steps "can be performed without a physical structure or mechanical object"

-2-

00-068 RS 07.18.03

PATENT

Application No09/714,574
Attorney Docket No.: 00-068

iv. The claim "can be completely performed by a human"

Request

If this rejection is maintained, Applicants respectfully request an appropriate and explicit basis for these standards. Specifically, Applicants respectfully request clarification as to which of the following is the basis for the Examiner's standards:

(a) these standards (i) through (iv) above are believed to be in accordance with some section of the MPEP,

or instead

(b) these standards (i) through (iv) above are a policy of the U.S. Patent and Trademark Office that is not present in the MPEP.

If the basis is (a), the rejection should be withdrawn because no section of the MPEP sets forth such standards for statutory subject matter. Further, there is no statute or court decision supporting any of these standards (i) through (iv) above.

In fact, these standards (e.g., not performable by a human) are clearly contrary to law. See, e.g., Alco Standard Corp. v. Tennessee Valley Authority, 808 F.2d 1490, 1496, 1 USPQ2d 1337, 1341 (Fed. Cir. 1986) ("The inclusion in a patent of a claim to a process that may be performed by a person, but that is also capable of being performed by a machine, is not fatal to patentability. The presence of the steps of correlating and combining, which a machine is capable of doing, does not invalidate a patent."); See, also, Musco Corp. v. Qualite, Inc., Civ. Application, 106 F.3d 427, 1997 WL 16031 (Fed. Cir. 1997), (per curiam)(unpublished), cert. denied, 118 S. Ct. 60 (1997) ("The existence of mental steps in the claims or specification of a patent do not, in and of themselves, invalidate the patent.")

If the basis is (b), please clarify whether these standards rely on a new statutory interpretation of 35 U.S.C. § 101 that has been adopted by the U.S. Patent and Trademark Office.

Proper Standard

The Federal Circuit has made it clear that the only issue in determining the presence of statutory subject matter is whether the claimed invention produces a useful, concrete, and tangible result. That inquiry has not been applied in this rejection, despite the conclusory language on page 6.

The Examiner has not inquired into whether the claimed invention produces a useful, concrete and tangible result. Instead, the Examiner applies irrelevant standards (e.g., whether a claim "can be performed without interaction of a physical structure") and from these irrelevant standards concludes that a useful, concrete and tangible result does not exist. In other words, the Examiner has not made the proper inquiry, but only used its name to disguise improper and overruled tests.

Each Claim Produces a Useful, Concrete and Tangible Result

In fact, all of the pending claims do produce a useful, concrete and tangible result. For example, in all rejected claims a useful, concrete and tangible result is that *an offer is output to a customer*. This is a "real world value, as opposed to subject matter that represents nothing more

PATENT

Application No 09/714,574
Attorney Docket No.: 00-068

than an idea or concept, or is simply a starting point for future investigation or research". MPEP 2106(II)(A).

Furthermore, in claims 1 - 16 a request for a transaction is received from a customer at the vending machine, in claims 17 - 22 a trigger signal is transmitted to the vending machine, and in claim 28 a customer in proximity to the vending machine is detected.

In summary, all claims clearly do produce a useful, concrete and tangible result, and thus no further inquiry is needed to determine that the claims are statutory.

Rejections under Section 112, First Paragraph

The claims are rejected as not enabled "because the specification does not provide a concrete example or illustrating [sic] of" certain claimed steps. Applicants traverse the rejection.

There is no explanation of what sort of example rises to the level of a "concrete" example. More importantly, "[c]ompliance with the enablement requirement of 35 U.S.C. 112, first paragraph, does not turn on whether an example is disclosed." MPEP 2164.02. "[L]ack of working examples ... should never be the sole reason for rejecting the claimed invention on the grounds of lack of enablement." MPEP 2164.02.

In order to make a rejection for non enablement, the examiner has the initial burden to establish a reasonable basis to question the enablement provided for the claimed invention. MPEP 2164.04. No such explanation has been given.

The Examiner has not used the proper test in meeting the initial burden of showing a reasonable basis to question the enablement provided for the claimed invention. Accordingly, a prima facie case of nonenablement has not been shown.

Finally, the present disclosure clearly contains sufficient information regarding the subject matter of the claims as to enable one skilled in the art to make and use the claimed invention without undue experimentation.

Rejections under Section 112, Second Paragraph

All claims are rejected as indefinite for the following reasons:

- "the independently claimed steps of [sic] specifically reciting those features [from a list of features on page 7] are considered indefinite because the claims do not provide an antecedent basic of those steps."
- "the claims discuss these claimed concepts but do not particularly point out and distinctly claim the subject matter which applicant regards as the invention because it is considered that, as discussed in the specification, is [sic] considered indefinite."

Applicants traverse this rejection.

Request for Clarification

Applicants unfortunately cannot meaningfully interpret the above two assertions. As best as can be understood, however, the Examiner has not pointed to any particular terminology in any claim.

PATENT

Application No 09/714,574
Attorney Docket No.: 00-068

If this rejection is maintained, Applicants respectfully request that Examiner point to specific terminology actually recited in the claims (as opposed to what is assumed to be a paraphrasing purportedly applicable all pending claims) are considered to be vague.

Proper Standard Not Used

The Examiner has not used the proper test in meeting the initial burden of showing a reasonable basis to question the definiteness of the claimed invention. Accordingly, a prima facie case of indefiniteness has not been shown.

The failure to provide explicit antecedent basis for terms does not always render a claim indefinite. If the scope of a claim would be reasonably ascertainable by those skilled in the art, then the claim is not indefinite. MPEP § 2173.05(e).

Also, the mere fact that a term or phrase used in the claim has no antecedent basis in the specification disclosure does not mean, necessarily, that the term or phrase is indefinite. There is no requirement that the words in the claim must match those used in the specification disclosure. MPEP 2173.05(e).

Applicants are given a great deal of latitude in how they choose to define their invention so long as the terms and phrases used define the invention with a reasonable degree of clarity and precision. MPEP 2173.05(e).

Specific Language

The terminology "further comprising the step of" from claims 10 and 11 is indicated as lacking antecedent basis because "step" is not previously recited. Applicants note that "the failure to provide explicit antecedent basis for terms does not always render a claim indefinite. If the scope of a claim would be reasonably ascertainable by those skilled in the art, then the claim is not indefinite." MPEP § 2173.05(e). In this instance, no person of skill in the art would be incapable of ascertaining the meaning of "the step" recited in claims 10 and 11.

The terminology "requested transaction" from claim 13 is indicated as lacking antecedent basis. However, claim 13 recites "a request for a transaction" in the step of the method, which provides antecedent basis for subsequent instances of "requested transaction".

Rejections under Section 112, Sixth Paragraph

Claims 23 - 27 are rejected for the following reasons:

- "[t]he independently claimed vending machine sales promotions with separate steps including various means is not construed means-plus-function language under the rubric of reasonable interpretation, because the specification does not provide a clear limit of patentability"
- "[t]he separate steps including various means are merely exemplified after the 'for' recitation and may incorporate any function that could be taught in the prior art".

Applicants traverse the rejection.

Applicants unfortunately do not understand what is meant by a means being "merely exemplified". Applicants further do not understand what is meant by a specification providing "a clear limit of patentability"

PATENT

Application No 09/714,574
Attorney Docket No.: 00-068

In addition, the Examiner has not indicated which of the "means" elements in the rejected claims are considered problematic.

Request

I. Applicants respectfully request that the Examiner specify exactly which of the "means" elements are problematic.

II. Applicants also respectfully request, for each such "means" element considered problematic, which term(s) in that element are considered problematic.

Applicants note that "[n]ot all terms in a means-plus-function ... are limited to what is disclosed in the written description and equivalents thereof, since 35 U.S.C. 112, sixth paragraph applies only to the interpretation of the means or step that performs the recited function." IMS Technology Inc. v. Haas Automation Inc., 206 F.3d 1422 (Fed. Cir. 2000).

III. Applicants also respectfully request clarification of the exact nature of the rejection under 35 U.S.C. § 112, sixth paragraph. For each "means" element considered problematic, Applicants request that the Examiner indicate which (if any) of the following were a basis for this rejection:

1. This rejection is predicated solely on the prior rejection under 35 U.S.C. § 112, first paragraph.
2. This rejection is predicated solely on the prior rejection under 35 U.S.C. § 112, second paragraph.
3. A "means for" element is not modified by functional language.
4. A "means for" element is modified by sufficient structure for achieving the specified function.
5. Corresponding structure of a "means for" element is merely implicit or inherent in the specification.
6. Corresponding structure of a "means for" element is not disclosed in the specification itself in a way that one skilled in the art will understand what structure (or material or acts) will perform the recited function.

Rejections under Section 102 - Anticipation by the Present Application

All claims are rejected as anticipated by the Background of the present application. Applicants traverse this rejection.

The Examiner has not described in any way:

- which portions of the Background are anticipatory;
- how the Examiner has interpreted the Background;
- how the Examiner has interpreted the 28 rejected claims, under the broadest reasonable interpretation;
- which limitations in which claims are considered anticipated by the various portions of the Background.

PATENT

Application No 09/714,574
Attorney Docket No.: 00-068

Thus, Applicants cannot understand the Examiner's position, and Applicants are therefore unable to appropriately respond how the claims distinguish over the Examiner's interpretation of the Background.

Applicants note that the Examiner is required to provide, with any rejection, not only references but also information may be useful in aiding the Applicants to judge the propriety of continuing the prosecution. 35 U.S.C. § 132 (a); 37 C.F.R. 1.104(a)(2).

Rejections under Section 102 - Anticipation by Patents and Publications

All claims are rejected as anticipated by:

- 14 patents cited by Applicants in Applicants' Information Disclosure Statement
- another patent by the inventor of a patent cited by Applicants
- 3 patent publications

Applicants traverse this rejection.

The Examiner has not described in any way which portions of which reference are believed to anticipate which of the 28 claims. Further, the Examiner has not described in any way how the Examiner has interpreted the claims, under the broadest reasonable interpretation;

Thus, Applicants cannot understand the Examiner's position, and Applicants are therefore unable to appropriately respond how the claims distinguish over the Examiner's interpretation of the Background.

Rejections under Section 102 - Public Use or Sale

All claims stand rejected under 35 U.S.C. 102(b) based upon a public use of the invention. Applicants respectfully traverse this rejection for the reasons set forth below.

In general, the rejection should be withdrawn because there is no substantial evidence in the record to support it. Also, the request for additional information is ambiguous and cannot be answered as the Examiner intends until it is clarified. Also, the request for additional information is improper because it is not based on any reasonable necessity.

No evidence to even raise an on sale issue.

The Examiner has alleged that "the claimed invention has been in public use or on sale for more than a year before the filing of the present invention". There is no evidence in the record of any sort to support this allegation.

The only reasons provided for this allegation are:

- the assignee of the present application has two US patents, and
- a publication "quotes a principle of the assignee admitting the claimed invention in 1999" (the quote refers to a patent application filed).

Neither is a proper basis for a rejection for public use or sale of the claimed invention.

Clarification of Request

PATENT

Application No 09/714,574
Attorney Docket No.: 00-068

If evidence is eventually provided to support an issue of public use of the invention, Applicants request clarification regarding the requested information so that a full response may be provided. The current request refers to "the earliest release date and availability of the above mentioned trademark". However, the Office Action makes no reference to any trademark.

Rejections under Section 103 - Obviousness

All claims stand rejected under 35 U.S.C. §103(a) as being unpatentable over "an obvious variation of examiner's personal experience" in combination with subject matter unsupported by the record. Applicants traverse this rejection.

Examiner Admits to Ignoring Claim Limitations

Many of the claimed limitation are improperly ignored as being "non functional descriptive material". For at least this reason the rejection is improper.

The "non functional descriptive material" exception only applies when the differences between an invention and the prior art cited against it reside in the content of the printed matter. The printed matter exception is inapplicable to the pending claims. The limitations in question are not printed matter, and / or differences between the invention and the prior art lie in limitations of the claims other than any printed matter.

Similarly, the Examiner asserts that limitations are ignored because "the subjective interpretation of the data does not patentably distinguish the claimed invention". Office Action, page 15. This proposition has no foundation in the law, and there is no basis for ignoring any of the present claim limitations. For at least this reason the rejection is improper.

In re Venner is misread

No case, including the decision in In re Venner relied on by the Examiner, holds that "automation does not impart patentability" (Office Action, page 16) or that "automatic or mechanical means to replace a manual activity which accomplished the same result is not sufficient to distinguish over the prior art" (page 15). There is no such per se rule which precludes patentability of automated activities. The test is whether the invention would have been obvious to one of ordinary skill in the art at the time the invention was made.

Request for Affidavit

The rejection is based primarily on the Examiner's personal experience. Accordingly, the record lacks substantial evidence for these allegations. If this rejection is maintained, Applicants request that Examiner provide an Affidavit or Declaration detailing Examiner's experiences relied upon in the rejection. 37 C.F.R. 1.104(d)(2); MPEP 2144.03.

If the Examiner maintains a rejection based on his personal experience, Applicants request that the data in the affidavit "be as specific as possible". 37 C.F.R. 1.104(d)(2). In particular, rather than mere paraphrasing of the language of the present claims, the particular actions taken or witnessed by the Examiner should be stated with specificity in the affidavit.

Request for Evidence - Well Known Subject Matter

The rejection is also based on features which are alleged to be well known, and Applicants request references to support all of these allegations. MPEP 2144.03.

For example, the Examiner asserts that the following are old and well known:

PATENT

Application No 09/714,574
Attorney Docket No.: 00-088

- "old and well known steps use [sic] by the examiner in dealing with soft drink machine purchases and machine refilling" (page 14);
- "it is old and well known to those skilled in the art of promoting sales" (no clarification of what is meant by "it") (page 14)
- "automated features, such as selection signal, automatic transmission, and data communication controller" are old and well known (page 14)
- "the traditional rewards experienced by most soft drink purchasers or refillers skilled in the art" (page 16)

No Motivation To Combine

The obviousness rejection is improper because no proper motivation to combine teachings has been provided.

The Examiner has not met the *prima facie* burden for the pending claims because the Examiner has not shown a specific teaching or suggestion in the prior art to combine or modify the references of record. Only unsupported conclusory statements are provided as motivations.

Request for Evidence - Motivation to Combine

Particular findings must be made as to the reason the skilled artisan, with no knowledge of the claimed invention, would have selected these components for combination in the manner claimed.

Applicants request references to show that the proposed motivations would be apparent to those of skill in the art. For example,

- "it would have been obvious to claim the invention as recited by the applicant [sic], in order to overcome the explicit teachings of examiner's personal experience" (page 14)
- "it would have been obvious to one skilled in the art to provide the automated claimed steps since those features are merely automated features of a concept that is old and well known" (page 14)
- "it would have been obvious to those skilled in the art of promoting sales to use those terms to seek patent protection" (page 15)
- "it would have been obvious to a person of ordinary skill in the art at the time the invention was made to claim vending machine, customer, and retail establishment having any type of content, because such data does not functionally relate to the steps in the method and system claimed and because the subjective interpretation of the data does not patentably distinguish the claimed invention." (page 15)
- "to allow merchants greater consumer targeting capabilities" (page 16)

Provisional Double Patenting Rejection

Since this is a provisional rejection, no action is warranted at this time.

Double Patenting Rejection

Applicants traverse this rejection.

Any analysis employed in an obviousness-type double patenting rejection parallels the guidelines for analysis of a 35 U.S.C. § 103 obviousness determination. MPEP 804(II)(B)(1).

When considering whether a claim of an application is an obvious variation of a claim of a patent, the disclosure of the patent may not be used as prior art. MPEP 804(II)(B)(1).

PATENT

Application No09/714,574
Attorney Docket No.: 00-068One-way test was not applied

None of the patents used in the double patenting rejection were filed after the filing date of the present application. Therefore, the "one-way test" is appropriate for all these patents. MPEP 804(II)(B)(1)(a).

This test is a determinant of whether the invention defined in a claim in the application is an obvious variation of the invention defined in a claim in the patent. MPEP 804(II)(B)(1)(a).

However, here the Examiner has asserted that the invention defined in the claims in the patent is an obvious variation of the invention defined in the claims in the present application. In other words, the Examiner has applied the reverse of the proper test.

Claim Limitations Ignored

In addition, in determining the obviousness of a claim, all claim limitations must be considered. Each of the pending claims has been rejected in one sentence double patenting rejections. Each of these rejections ignores several claims limitations of the claims. Accordingly, a *prima facie* case has not been made.

No motivation to Modify

No motivation to modify any of the patents are indicated. There is only the conclusory statement that certain features of the issued claims are an obvious variation of the pending claims. The motivation must be a specific teaching or suggestion in the prior art to combine or modify the references of record.

PATENT

Application No 09/714,574
Attorney Docket No.: 00-068**Conclusion**

For the foregoing reasons it is submitted that all of the claims are now in condition for allowance and the Examiner's early re-examination and reconsideration are respectfully requested.

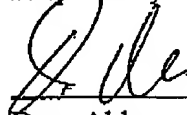
Alternatively, if there remains any question regarding the present application or any of the cited references, or if the Examiner has any further suggestions for expediting allowance of the present application, the Examiner is cordially requested to contact Dean Alderucci at telephone number 203-461-7337 or via electronic mail at Alderucci@WalkerDigital.com.

Petition for Extension of Time to Respond

Applicants hereby petition for a **three-month** extension of time with which to respond to the Office Action. Please charge \$475.00 for this petition to our Deposit Account No. 50-0271. Please charge any additional fees that may be required for this Response, or credit any overpayment to Deposit Account No. 50-0271.

If an extension of time is required, or if an additional extension of time is required in addition to that requested in a petition for an extension of time, please grant a petition for that extension of time which is required to make this Response timely, and please charge any fee for such extension to Deposit Account No. 50-0271.

Respectfully submitted,



Dean Alderucci
Attorney for Applicants
Registration No. 40,484
Walker Digital, LLC
Alderucci@WalkerDigital.com
203-461-7337 / voice
203-461-7300 / fax

January 5, 2004
Date

PATENT

Application No 09/714,574
Attorney Docket No.: 00-068**Conclusion**

For the foregoing reasons it is submitted that all of the claims are now in condition for allowance and the Examiner's early re-examination and reconsideration are respectfully requested.

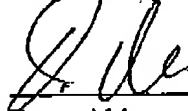
Alternatively, if there remains any question regarding the present application or any of the cited references, or if the Examiner has any further suggestions for expediting allowance of the present application, the Examiner is cordially requested to contact Dean Alderucci at telephone number 203-461-7337 or via electronic mail at Alderucci@WalkerDigital.com.

Petition for Extension of Time to Respond

Applicants hereby petition for a **three-month** extension of time with which to respond to the Office Action. Please charge \$475.00 for this petition to our Deposit Account No. 50-0271. Please charge any additional fees that may be required for this Response, or credit any overpayment to Deposit Account No. 50-0271.

If an extension of time is required, or if an additional extension of time is required in addition to that requested in a petition for an extension of time, please grant a petition for that extension of time which is required to make this Response timely, and please charge any fee for such extension to Deposit Account No. 50-0271.

Respectfully submitted,



Dean Alderucci
Attorney for Applicants
Registration No. 40,484
Walker Digital, LLC
Alderucci@WalkerDigital.com
203-461-7337 / voice
203-461-7300 / fax

January 5, 2004
Date